

April 2, 1984

LB 1064

(Phonetic) Schools and Manley Northeast at Louisville, Nebraska. Jeannie Platt and Sandra Dill were their teachers. Senator Vickers.

SENATOR VICKERS: Mr. President and members, I am not exactly in love with 1064 as it is in its Final Reading copy and I think I would be even less in love with it with the Lamb amendment. I, too, over the noon hour tried to digest this to understand exactly what it is doing and let me tell you what I think it is doing, and if that is not what it is doing, then Senator Lamb can straighten this out in his closing. I was very concerned with 1064 and mentioned it on General File and Select File that due to the fact I want to be very careful that we didn't set up a situation where the livestock feeders of this state would have a difficult time in getting capital. I can't think of any enterprise that needs capital any more than being in the business of feeding cattle. It takes a lot of money to buy a bunch of cattle and it takes a lot of money to feed them and they have to borrow a lot of money. That industry is one that is known for its ups and downs and there are people that get into some financial difficulties quite often and now is one of those times. Now is one of those times thanks to a lot of things outside of their control, such things as the PIA program and a few other things, so we are going to do one more thing here it seems to me to nail that cattle feeder to the wall and that is we are going to make damn sure that he is the one that is stuck. Now I think what this is doing, and I understand why the feed dealers would be promoting it, let's say, and Senator Beutler I think pointed out one good example of how it would work, and I think here is another example. Let's say the feed dealer and the cattle feeder are both borrowing money from the same banker. Now the banker is not too apt to give the second priority or a first priority, I should say, to the feed dealer unless he thinks he is going to make sure he is going to get his money. Now with the way the language is written here, it says that that lien can only be foreclosed against that feeder, I have a sneaking suspicion that the feed dealers are thinking, well, now if we get this language in here, the bankers are more apt to give us that first lien because without the language in the banker could still be possibly held responsible